



1995 SENATE BILL 576

February 28, 1996 - Introduced by Senators ROSENZWEIG and DARLING, cosponsored by Representatives WALKER, DUFF, GUNDERSON, DOBYNS, TURNER, PLACHE, POWERS, MUSSER, R. POTTER and LORGE. Referred to Committee on Education and Financial Institutions.

1 **AN ACT to create** 121.91 (4) (c) 3. of the statutes; **relating to:** the adjustment to
2 a school district's revenue limit for debt service.

Analysis by the Legislative Reference Bureau

Current law limits the increase in the total amount of revenue that a school district may receive from general school aids and property taxes. In the 1995-96 school year, the maximum allowable increase per pupil is \$200. In each school year thereafter, the maximum allowable increase is \$206. The limit is based on the difference between the average of the number of pupils enrolled in the 3 previous school years and the average of the number of pupils enrolled in the current and 2 preceding school years. Under current law, revenues needed for the payment of debt service authorized prior to August 12, 1993, by school board resolution or by referendum, or authorized on or after August 12, 1993, by referendum, are excluded from the limit.

This bill provides that revenues needed for the payment of debt service authorized by school board resolution (without a referendum) are excluded from the limit under certain circumstances. The debt must be issued to repair, maintain or renovate existing school district facilities or equipment. In addition, the exclusion applies only if the debt issue does not increase the school district's levy for debt service to an amount that is greater than the amount of the school district's levy for debt service in 1992, and only if the amount of the school district's outstanding indebtedness incurred under the new provision since August 12, 1993, does not exceed an amount equal to 3% of the value of the school district's facilities and equipment in the previous school year.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

